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Automotive News

August 28, 1989

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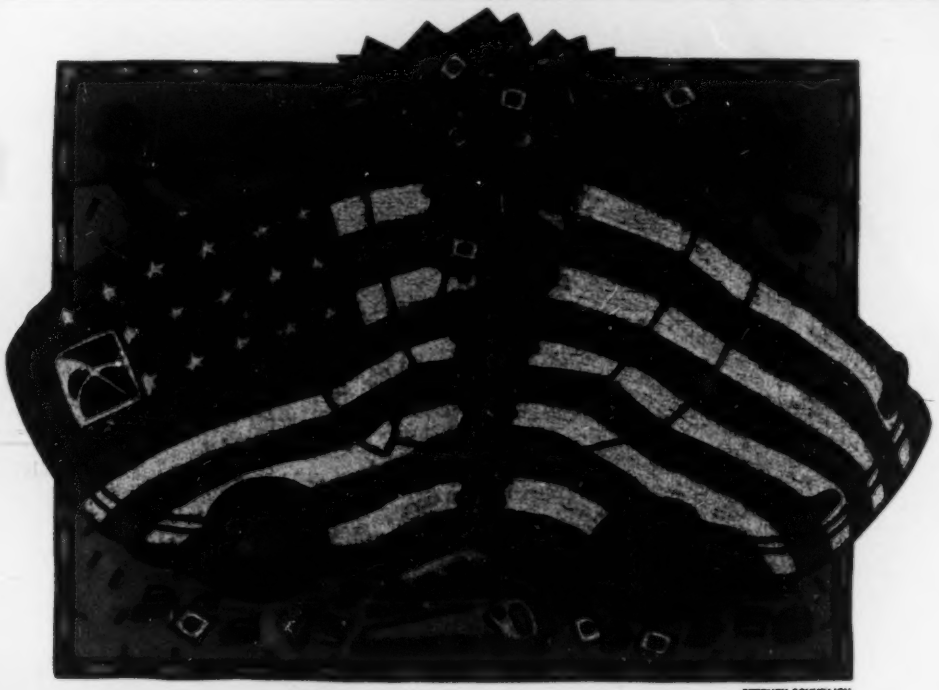


STEPHEN SCHUDLICH

WORLD CAR? *'All-American' Saturn will use components from transplants*

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

The Saturn won't be so red-white-and-blue after all.

Hailed as America's answer to the foreign import, General Motors' Saturn line is supposed to use Yankee ingenuity to beat foreign manufacturers at their own low-cost, high-efficiency game and help re-establish the U.S. reputation for automotive know-how.

But when the car, a family sedan aimed at Toyota, Honda and Nissan buyers, finally rolls off the assembly line next summer, it will owe more than its inspiration to the transplants.

Japanese, German and U.S.-foreign joint-venture suppliers will provide the car's steel, brakes, windshields, windows, ashtrays, electrical motors, air conditioning parts and other components, as well as some of the tooling used to create it.

Although Richard G. "Skip" LeFauve, Saturn president, has stated that Saturn will not attempt to wave the flag to sell cars, it will appeal to American pride.

"There's something about a feeling of nationalism," LeFauve said in a previous interview with Automotive News. "Saturn was created to prove that we really haven't lost it in the United States, that we can build a small car at the quality and reliability levels today's consumers are demanding, and do it in a competitive price.

"It's the American answer to the import," he said. "If you'd like to buy a car designed and built in the United States, here's your opportunity."

The company has not formally revealed its suppliers and remains tight-lipped about the new car's components and technology. But dealers have been assured that it will have a domestic content in the mid- to high-90 percent range. As interpreted by one planned Saturn dealer, that would include parts assembled in Canada and Mexico, or parts produced in the U.S. by transplant operations.

But, some analysts say the con-

See SATURN, page 42

VW shuns rebates, will reduce prices

Salespersons get $150 extra per car

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

Following through on recent hints by Volkswagen management that the company will regain its value-leader status, dealers learned at their sales convention in San Francisco of revolutionary plans to "relaunch the Volkswagen franchise in the United States."

Volkswagen United States will officially announce in October a marketing assault that includes eradicating cash-to-customer rebates, a bonus payment plan aimed at maintaining sales force continuity, price reductions on current models and low introductory prices on future models.

The aim: to raise sales in 1990 to 200,000 from 168,800 in 1988 and the 150,000 target in 1989.

The first salvo in that assault is replacing rebates with significantly lower prices.

"We will not be in the retail consumer rebate business," said William J. Young, vice president of VW U.S.

"It is an inane, stupid strategy to charge the customer a certain amount and then give a rebate, even though he knows he's paying for the rebate in higher prices. It doesn't seem to me to give the customer enough credit (for being smart). VW wants to get out of the rebate business," he said.

But Young did say that as long as 1989 models remain on dealer lots, VW will continue its cash-to-customer incentives at "the same or greater" levels. VW's customer rebate program, due to expire Sept. 4, will continue to the end of the month or until all 1989 models are cleared.

On the 1990 models, VW will institute a plan that rewards the sales force for salesmanship and tenure at one dealership.

Under an installment plan, a salesperson will earn $150 per vehicle sold, paid over two years. The program works like this: In addition to regular earnings, the salesperson will receive the first $50 in-

See VW, page 2

Chevy, Olds, Buick retain ad themes

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

Three General Motors divisions unveiled 1990-model advertising campaigns last week.

Chevrolet is keeping its "Heartbeat" theme for the fourth consecutive year, but will focus on product rather than image. Television spots featuring slice-of-life scenes have been replaced by commercials emphasizing the cars.

Chevrolet is focusing much of its efforts on its Geo line. Targeting a youthful audience, a Geo print ad pegs Toyota and Honda as the imports of the 1970s and 1980s, respectively, and predicts that the 1990s will belong to Geo.

While Buick is keeping its two-year-old "The Great American Road Belongs to Buick" slogan,

see GM ADS, page 44

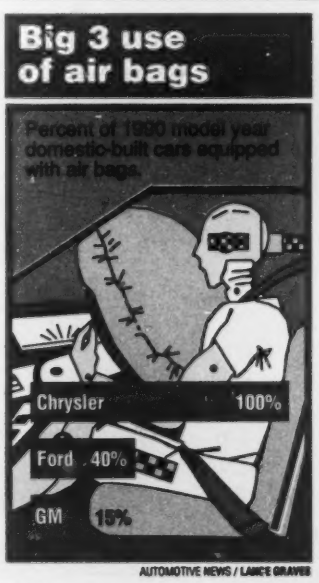
Time is now for passive restraints

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Nearly two decades of bitter debate on passive restraints end Friday. All cars produced for the U.S. market after that day must be equipped with some form of automatic crash protection.

And while the rule placates those who have worked hard to see air bags mandated in cars, the focus now shifts to expanding the standard to light trucks and even the means by which the automakers are satisfying the cur-

See BAGS, page 41



AUTOMOTIVE NEWS / LANCE GRAVES

Market hurt by new-used price gap

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

GM Chairman Roger Smith once said that GM's best answer to low-priced compact cars sold by competitors was a two-year-old Buick.

Smith wasn't joking, but the real punch line is that the price gap between new and used cars is widening, kindled in part by price hikes for new cars and an apparent glut of used autos.

And the decline in used-car prices has affected almost everyone associated with the automotive industry, including manufacturers, dealers, customers and financial insititutions.

see USED CARS, page 43

AUTOMOTIVE NEWS/JOE WILSENS

Chevrolet's 1991 Caprice and Camaro were among the surprises dealers viewed at the division's 1990 introduction in Detroit.

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INTRO 1990

The Chevy line for 1990:
Cars and trucks for the 1990 model year were introduced last week to Chevrolet dealers and the press. Stories, pictures and specifications, Pages 16-17.

Isuzu builds car hopes on new platform

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

WHITTIER, Calif. — The 1990 introduction of a new-generation Impulse and Stylus is critical for American Isuzu's hope of expanding its car offerings.

"We have established ourselves as a truck company, then as a sport-utility company with Trooper II," said Jack Reilly, American Isuzu senior vice president and general manager. "The task ahead of us is to establish ourselves as a car company too."

He denied speculation that sales of the new cars would make or break Isuzu's long-term commitment to passenger cars: "The launch has no bearing on whether we stay in the car business."

However, sales success is needed to trigger the go-ahead on another car platform from Isuzu Motors, the Japanese parent, Reilly said.

The new models are built on a single platform. Previously, Isuzu had two: one for the rear-wheel drive Impulse and one for the front-drive I-Mark four-door sedan and three-door hatchback. Stylus will be the four-door sedan replacement for I-Mark, and Impulse will be replaced by a sporty three-door, front-drive hatchback.

HIDDEN/HANS G. LEMBKE

Power moves to the front wheels in the new generation Impulse.

The three-door I-Mark hatchback will not be replaced.

The cars also will be sold by General Motors' Geo franchise as the Spectrum four-door and Storm sport coupe.

American Isuzu will get a third sport-utility vehicle, called Rodeo, for 1991, Reilly said.

Rodeo, like the Trooper II, will be based on the Isuzu pickup platform, but will have "a much rounder look," Reilly said. The wheelbase and overall length will be similar to the pickup but the profile will have "a less paramilitary look than Trooper and be more stylish to appeal to a younger market," Reilly said.

Isuzu will continue to market the Trooper II and smaller Amigo alongside the new sport-utility vehicle and will add a high-line version of the Trooper II, he said.

Volume projections are not yet final yet, but Reilly expects Rodeo to sell close to the Trooper II rate, about 50,000 units last year.

Rodeo's production site also is not final, but the new Subaru-Isuzu joint venture plant in Lafayette, Ind., is a possibility, Reilly said.

Reilly is upbeat about Isuzu's sales prospects for the rest of 1989 and 1990.

He is sticking to his earlier forecast of a 10 percent sales gain for calendar 1989 over 1988's 114,925 cars and trucks. Through July, sales were ahead of last year's pace by 6.1 percent, and he thinks the rest of the year will pick up a bit.

For 1990 Reilly is projecting a record sales year, between 131,000 and 140,000 cars and trucks.

Helling Agres

Six key execs accept Saab's early-out offer

By John A. Russell
SPECIAL CORRESPONDENT

ORANGE, Conn. — Six key executives of Saab-Scania of America, including the head of the U.S. car division, are among 37 employees taking early retirement under an incentive package the company offered to cut costs.

Sten O. Helling, 51, executive vice president in charge of the car division, will retire Sept. 1, as will Eugene G. Agres, 61, executive vice president for administration and finance, and Lennart Lonnegren, 60, corporate communications director.

Also retiring are three of Saab's four regional managers, Walter Lawson, 54; Howard Smith, 57; and Philip Krantz, 58.

The retiring regional managers will continue as consultants until replacements are found. Sinclair hopes to fill the positions within two months.

The early retirement program, announced by Saab in mid-July, was offered to 58 employees. To qualify, employees over 50 years of age had to have more than five years' service.

Company officials admit Saab is under financial pressure. Seven-month sales in this country totaled 19,828, about 13 percent below last year's. In Sweden, the Saab Car Division is expecting a $150 million loss.

Helling, Saab's No. 2 U.S. executive, joined the company in 1980 from Volvo of America. He was part of the original management team put together by Sinclair after he joined Saab in late 1979.

He will remain on the company's executive committee as a consultant and assistant to Sinclair for one year.

Agres joined Saab in 1961 as treasurer and has been executive vice president for finance and administration since 1987.

Lonnegren, who also will be retained as a consultant, is a 26-year Saab veteran and the only executive from previous management.

NADA predicts rough year for dealers

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — One U.S. auto dealer in 10 could go out of business in the next year as dealer profits and vehicle sales fall, a National Automobile Dealers Association study warns, but industry analysts say most franchises will continue to thrive if strongly managed.

Dealer profits, as a percentage of total sales, have fallen from 2.4 percent in 1984 to 1.7 percent last year despite near-record sales, the study by NADA's industry analysis division said. It blamed a glut of vehicles and new nameplates entering the market for the decline.

As sales slow in 1989, most franchises will lose money, some for the first time ever, the NADA report said.

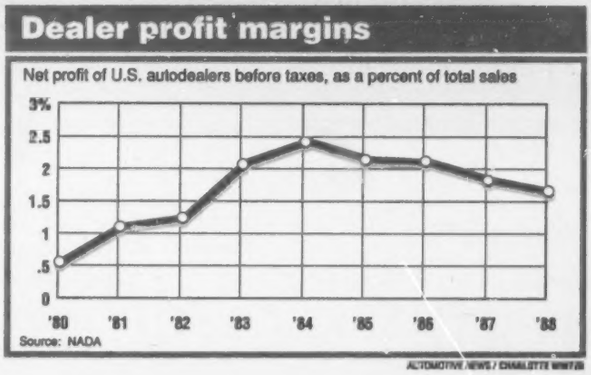
But Dan McClory, managing director of the Auto Equities Group, an auto dealership investment consultant firm in Newport Beach, Calif., said, "As with any average, you have to take the (NADA profit margin) figures with a grain of salt. The good dealership operators will continue to make money even though the margins have shrunk."

Dealerships, he said, will have to focus on the long term, building the less cyclical sources of profit such as service and used-car sales, while maintaining their current organization through the downturn.

"For example, the Ford, Chevy, Toyota and Nissan dealers may have been selling 1½ used cars for every new car," he said. "Honda dealers may have sold one used car for every three or four new cars. They'll have to learn to sell used cars."

Profits have declined in all areas of dealerships except the parts department, the NADA report said. Fewer than half of all dealerships made money on sales of vehicles in 1988, according to the report. Rebates and incentives have depressed margins on new cars to an average of 7.76 percent per unit. All the domestic franchises in the study lost money in the service department, while all the imports except Mazda made money.

John Fitzgerald Jr., president of the Fitzgerald Automotive Team, with Dodge, Oldsmobile, Buick and European import dealerships in the Washington metropolitan area, said, "Dealer profit has declined because there are more dealers, more manufacturers and the market is not any bigger. . . . Manufacturers are concerned with their cost to build cars and if they build more cars, it costs them less, so dealers have to carry more inventory."



The larger inventories force the dealer to spend more on advertising and personnel, and the problem, said Fitzgerald, is exacerbated by manufacturers transferring more of their costs to the dealers.

"Dealers will have to become more expert in controlling their inventories," Fitzgerald said. "Even in 1929, some stockbrokers made money."

Jim Everett, senior associate for Jack Hamel and Associates, an auto dealership brokerage based in Sarasota, Fla., also noted that bigger dealerships were "buying all the franchises in sight" from 1985 through 1987 and paying top dollar for them. Now that there is a slowdown in the industry, dealers will have to work harder to sell cars and are finding they need stronger management, he said.

"This is a good shakeout period," Everett said. "The groups that are not put together well will be shaken out. The numbers guys, those dealerships that are well managed, will do just fine, thank you. They may have a $500,000 year rather than a million, but they'll do OK. Some of the mom and pops will do well, some won't."

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Speedy $72,800 Jaguar slated for sale in U.S.

By Daniel Ward
STAFF CORRESPONDENT

LONDON — High-performance JaguarSport versions of Jaguar production models will be introduced in the United States by mid-1990. Emissions work is in progress on the 317-horsepower XJR-S 6-liter that bowed last week in the United Kingdom.

A $72,800 price tag and 158-mph top speed make the new model the most expensive and fastest Jaguar available.

Tom Walkinshaw, who heads Jaguar's worldwide racing effort and the JaguarSport unit developing the street cars, said, "The new XJR-S puts us very much on the pace with competition such as Porsche and Ferrari. We are setting our sights now on further improvements within the product range as well as developing overseas sales networks in key markets, having successfully established our franchise in the U.K."

Jaguar Chairman Sir John Egan predicted that JaguarSport cars could eventually account for 10 percent of Jaguar sales.

In the first 12 months of operation in Britain, JaguarSport sold 550 cars through 24 dealers.

Before the introduction of the 6-liter model, JaguarSport packages consisted only of improved steering, suspension, wheels, tires and aerodynamic features. With the new car, JaguarSport's sales and marketing director Bill Donnelly said he believes the firm has a competitive rival to the Porsche 928-S4 and Mercedes 560SEC. Only the SEC is marginally faster.

JaguarSport's XJR-S draws 158 mph from its 317-hp 6-liter V-12 engine.

No decision has been made on how many of the 142 U.S. Jaguar dealers will be offered the JaguarSport franchise. "We may have to offer JaguarSport to all our U.S. dealers for legal reasons," Egan said.

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Corry Auto Dealer Exchange, Route 6, P.O. Box 317, Corry, PA 16407. 814-664-7721. Every Thursday 12:30 sharp.

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GE Capital Corp. promotes president of auction unit

GE Capital Auto Auctions, which has grown to 18 locations since 1985, is losing President Mike S. Zafirovski who has been promoted to senior vice president, marketing and business development for GE Capital Fleet Services.

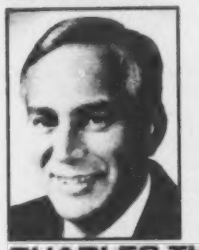
"Over the past four years, Mike successfully started GE Capital Auto Auctions' business," said James W. Rogers, president of GE Capital Fleet Services.

"The fleet services market is becoming increasingly competitive and Mike's extensive background in auto financial services and acquisitions brings the set of skills that will compliment our team and our strategy for growth," he added.

Edward D. Stewart, vice president and general manager of GE Capital Auto Financial Services, will act as president of the auction unit, based in Barrington, Ill., until a replacement is named.

GE Capital Corp., a financial services titan, is a major player in the fleet and lease industry.

Building and acquiring auto auctions provided it with a means to remarket hundreds of thousands of its own vehicles in addition to cars and trucks from dealers and other institutions.



CHARLES THOMAS

Ford Motor Co. purchased 20 percent of GE Capital Auto Auctions shortly after it was formed for an undisclosed amount. This gave GE a flow of vehicles from Ford Motor Co., Ford Motor Credit and Hertz Corp., in which Ford has a stake.

GE expects sales of 760,000 vehicles, up 7 percent over last year, on registrations of 1.3 million vehicles.

AUCTION BRIEFS

Chrysler Motors

Aug. 29 -- American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Nashville Auto Auction, Nashville, Tenn.; Florida Auto Auction of Orlando, Ocoee, Fla.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Greensboro Auto Auction, Greensboro, N.C.

Aug. 30 -- A.D.E. of Birmingham, Birmingham, Ala., and Butler Auto Auction, Gibsonia, Pa.

Aug. 31 — Northway Exchange Auto Auction, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Southwest Auto Auction, Phoenix, Ariz.; San Antonio Auto Auction, San Antonio, Texas; and Ark-La-Tex Auto Auction, Shreveport, La.

Ford Motor Co.

Aug. 29 — Bay Cities Auto Auction, Hayward, Calif., and South Seattle Auto Auction, Kent, Wash.

Aug. 30 — Albuquerque Auto Auction, Albuquerque, N.M.; Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; Fort Worth Auto Auction, Fort Worth, Texas; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Salt Lake Auto Auction, Salt Lake City

Aug. 31 — A.D.E. of Birmingham, Moody, Ala.; Greensboro Auto Auction, Greensboro, N.C.; and Skyline Auto Exchange, Fairfield, N.J.

Sept. 5 — Newburgh Auto Auction, Newburgh, N.Y.

Sept. 6 — Atlanta Auto Auction, Red Oak, Ga.; Baltimore-Washington Auto Exchange, Baltimore; Southern California Auto Auction, Fontana, Calif.; and Greater Tampa Bay Auto Auction, Tampa, Fla.

General Motors

Aug. 29 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and Fresno Auto Dealers Auction, Fresno, Calif.

Aug. 30 — Puget Auto Auction, Auburn, Wash.; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Omaha Auto Auction, Omaha, Neb.

Aug. 31 — Arena Auto Auction, Chicago; Columbus Fair Auto Auction, Columbus, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Sept. 5 — A.D.E. of Birmingham, Moody, Ala., and Florida Auto Auction of Orlando, Ocoee, Fla.

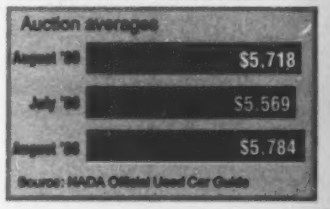
Sept. 6 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Statesville Auto Auction, Statesville, N.C.

Toyota

Aug. 29 — Newburgh Auto Auction, Newburgh, N.Y.

AUCTION DATES

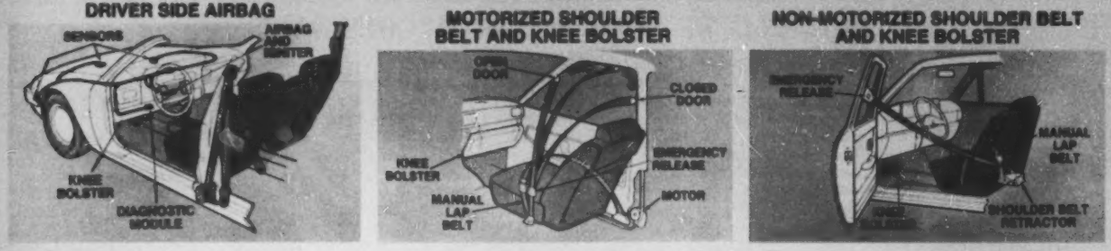
Used car sales



Model-year breakdown

Year	June	July	August
1989	$10,765	$10,752	$10,709
1988	7,988	7,800	7,726
1987	5,965	6,038	6,156
1986	5,200	5,230	5,264
1985	4,264	4,245	4,319
1984	3,447	3,420	3,476
1983	2,563	2,620	2,633
1982	2,033	2,015	2,030
Overall Average	$5,486	$5,589	$5,718

Source: NADA Official Used Car Guide



How makers meet standard

Manufacturers have taken three approaches to meeting the passive-restraint rule: an air bag system (far left); a motorized belt approach (center); and a two-point non-motorized belt. All three systems require that a manual lap belt be used except for a three-point non-motorized belt (not pictured), which attaches the lap portion to the door.

BAGS

FROM PAGE 1

rent car standard.

NHTSA is likely to mandate passive restraints for light trucks, minivans and multipurpose vehicles beginning in the 1993 model year. The safety agency is also launching studies to determine whether some automatic seat belt systems are inferior.

None of the concerns, or the new wave of passive restraint regulation, is likely to become an issue until the early 1990s. NHTSA is giving automakers time to adjust to the current requirements and does not want to not hinder the voluntary move toward air bags, said Jeffrey Miller, acting NHTSA administrator.

Beefing up passive restraint requirements could also take a back seat to new technical requirements manufacturers may face from pending clean air legislation, according to Philip W. Haseltine, executive director of the American Coalition for Traffic Safety, an auto industry-backed safety group.

As of Sept. 1, all 1990 passenger cars must be equipped with some sort of passive protection, capping a four-year phase-in that began in 1987 with 10 percent of the fleet. That percentage was increased to 25 percent in 1988 and 40 percent in the 1989 model year.

The number of passenger cars with driver-side air bags has increased from 3,175 vehicles — all Mercedes-Benz models — in 1984 to an anticipated 2.9 million in the 1990 model year.

To accelerate air bag installation, NHTSA has given automakers a four-year reprieve from full frontal passive protection if a driver-side only air bag is used. Until 1994, vehicles with driver-side air bags will be allowed to use manual three-point belts on the passenger side.

NHTSA estimates that by 1993 between 5 million and 6 million vehicles will have air bags.

Although safety activists would have liked to see mandatory air bags, they too, are satisfied with the progress of the passive restraint program.

"I've been waiting for this day for 20 years," said Joan Claybrook, a former NHTSA administrator and a leading consumer advocate who sued the government several times on the issue of passive restraints.

"We've come to the conclusion that air bags and shoulder belts together work best. But we've come down a long road to allowing choice. And because of the popularity of air bags, everyone will install them in the end."

The safety agency is holding off on issuing a light truck passive restraint requirement. The fear is that the there would be an insufficient supply of air bags and that such a rule would squeeze manufacturers' resources to the point of hurting the program.

"It made sense to put passive restraints on passenger cars first - they are the most vulnerable vehicles and that's where the overwhelming majority of death and serious injury occur," Miller said. "We want to make sure we don't interfere with passenger cars."

In fact, NHTSA anticipates automakers will begin to voluntarily move toward truck passive restraints before a new requirement is issued.

But by the time NHTSA is ready to issue a light truck passive restraint requirement, research and studies may have tainted the agency's view on various belt systems. By 1993, NHTSA may be prepared to tell manufacturers what kind of belts they cannot use — a decision consumer advocates are pressing the agency to make.

But, NHTSA has responded to a petition by Insurance Institute for Highway Safety saying it will evaluate the usage rates and effectiveness of detachable versus non-detachable automatic belt systems and for the various types of motorized and non-motorized systems.

The group, in a survey of 179 dealer showrooms in the Washington, D.C. area, found only 12 of the 276 cars on display with the detachable passive belts connected. Dealers are required to show the cars with the passive belts in place. NHTSA said it will continue to investigate dealers on a case-by-case basis to determine if they are complying with the law.

In a 1987 study of cars in four metropolitan areas, the Insurance Institute also observed the usage rate for detachable non-motorized automatic belts systems to range from 46 to 64 percent and the usage rate for detachable motorized belts to be 88 percent. The use rate for vehicles with non-detachable automatic belts ranged from 87 to 96 percent.

NHTSA will have to wait for enough crash data from passive restraint-equipped cars to be generated over two to three years before it can make a decision.

"If we saw that one system was worse then the others, sure we would want to take some action to weed that system out of the population," Miller said.

Consumer groups argue there is enough data for NHTSA to ban some belts. But there is no consensus among the advocates on which belts to eliminate.

The controversy stems from the way the passive restraint law was written. NHTSA calls it a performance standards, because automaker are not told which system to use. If instrumented crash dummies "survive" a 30 mile-per-hour crash test, the system passes and can be used. To date, none of the systems has failed, NHTSA said. During the test, NHTSA does not fasten lap belts on passive systems where only the shoulder belt is automatic.

The non-motorized three-point belt used by General Motors is the most controversial.

The belt is anchored to the door and straps in the front seat occupants when the door is closed.

Critics of the system say it is difficult to get in and out of the cars with the belt attached and as a result most owners will use the system's detachable feature, defeating the purpose of passive protection.

GM says the three-point is more effective in a crash since it offers more protection than a two-point system when the driver fails to fasten the lap-belt portion.

Miller said the question is still "what is the trade off - we're going to have to look at the data to see how often do people with two-point belts use their auxiliary belt, and how big a differential in effectiveness and usage is there."

As for the possibility of air bags becoming mandatory, NHTSA has no plans to amend the rule to mandate the use of the device.

The original mandatory passive restraint rule was passed in 1978 by the Carter Administration.

The rule was rescinded by the Reagan Administration in 1981, a move that was immediately challenged in court by a coalition of consumer groups.

Two years later, the Supreme Court ruled 9-0 in 1983 in favor of the consumer groups and NHTSA was forced to rewrite the passive restraint rule.

"That was the only way the rule got passed during the Reagan administration," said Haseltine, who was deputy assistant secretary for policy in the transportation department under former Transportation Secretary Elizabeth Dole.

Haseltine said he and a small group of seven or eight developed a the current "compromise" rule that would satisfy the White House and "put 15 years of debate behind us."

The revised rule with its phase-in provisions went into effect on July 1, 1984. But it had an escape clause. If belt laws covering two-thirds of the population were adopted, the passive restraint rule mandating only automatic belts, could be repealed on April 1, 1989 by the secretary of transportation.

The Big Three and American Honda formed an organization to lobby for belt use laws called Traffic Safety Now — the predecessor to the American Coalition for Traffic Safety.

Consumer advocates criticized the decision and accused Dole of bowing to political pressure because air bags were not included.

But Miller said he believed the "the decision turned out to be better than people may have expected because we have not only passive restraints but lots of belts laws and belt use."

To date, the air bag systems deployed have been reliable. But, manufacturers worry that liability suits will increase if drivers of vehicles with air bags do not wear their seat belts, Haseltine said.

In a fatal crash, the occupant of a car with an air bag and a three-point belt has a 45 to 55 percent of survive and a 40 to 50 percent chance with an air bag and a lap belt. But the chances if survival with an air bag alone drop to between 20 and 40 percent — lower than the 40 to 50 percent protection afforded by just a three-point manual belt, according to NHTSA studies.

High court asked to review no-passive restraint suit

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — A second lawsuit alleging that a car is defective because it was not equipped with passive restraints has been appealed to the U.S. Supreme Court.

If that appeal or another filed last month is accepted, it would be the first high court review of the issue.

The court is expected to consider both petitions when it reconvenes in October.

Pauline W. Kitts, who sued General Motors on behalf of her husband, Willard, who was killed in a 1982 accident, claims the automaker did not use available technology that would have enabled him to survive. A lower court held GM was not guilty of building a "defective and unreasonably dangerous" 1982 Pontiac J2000. Kitts was killed in a single-car accident while wearing a seat belt.

The decision is similar to a 1st Circuit opinion last month that is being challenged by Trial Lawyers for Public Justice. That case, Wood vs. GM, involves a plantiff injured in a multipurpose vehicle while not wearing a seat belt.

In their petition, the trial lawyers also question whether mere compliance with the minimum requirements of any performance safety standard shields a manufacturer from liability in damage suits.

In the Kitts case, a New Mexico District Court held that the federal safety law pre-empted a common law claim. On appeal, the 10th Circuit Court joined the Kitts case with a similar one — Richart vs. Ford — and threw out both of them on grounds of federal pre-emption.

Friend-of-the-court briefs were filed by the Product Liability Advisory Council, the Automobile Importers of America and the Motor Vehicle Manufacturers Association. All argued for federal pre-emption, while the Trial Lawyers for Public Justice and the Association of Trial Lawyers of America filed briefs arguing against pre-emption.

The government filed a supplemental brief with the Supreme Court, contending that the safety law would not pre-empt state common law "except in certain limited situations not applicable to the Kitts case." When the 10th Circuit Court ruled on the Kitts case, it relied wholly on the Wood case in the 1st Circuit.

An argument made in the Kitts case is that Congress alone has the constitutional power to pre-empt state law and the role of the court is only to determine and apply congressional intent.

Kitts' lawyers argued that the effect of the 10th Circuit opinion is to "quash an important area of common law development in the states" not limited to alleged auto defects but also applying to "many other areas in which Congress has enacted minimum design standards."

They relied in part on an earlier Supreme Court decision that prohibits "federal judges, independent of the will of Congress, from pre-empting state common law."

Kitts' attorneys also argued that "uniformity" of safety law was not among Congress' intent in the 1966 safety law. "Nowhere in Congress' own expression of its purposes is uniformity even mentioned, much less identified as a primary purpose," the petition said.

Chrysler says head-impact rule impedes development of air bags

By Arthur Fiax
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Federal regulations that require instrument panels to absorb the impact of a passenger's head at low speeds could interfere with the development of some passenger-side air-bag systems.

NHTSA's call for comments on the matter was in response to a Chrysler Motors petition to exclude air-bag-equipped cars from the standard because it feels the rule is redundant in light of the head protection afforded by an air bag.

But NHTSA noted that air bags do not deploy in head-on collisions at speeds below 12 mph, nor do they work in side or rear impacts, but occupants frequently hit the instrument panel in those crashes.

Chrysler said it is attempting to develop a passenger-side air bag mounted on top of the panel, which appears to have a safety advantage over conventional systems when a passenger is leaning forward or the occupant is a child standing on the seat. Most systems used or in development are mounted on the front of the dash. But Chrysler said it can't design a dash-top system and meet the agency's head-impact standards.

The standard evaluates the ability of an instrument panel to absorb the impact of a head-shaped test object moving at 15 mph.

NHTSA is seeking comments in an effort to further air-bag technology.

But NHTSA denied a similar petition from Mitsubishi Motors Corp. because the company failed to argue that the standard hinders development of technology.

NHTSA's comment period is open until Sept. 25.

USED CARS

FROM PAGE 1

Dan Strader, a used-car salesman for Kerr-Neilsen Buick-Jeep-Eagle in Gary, Ind., said the dealership sold twice as many used cars as new cars in July.

He said customers see the price of a new Buick Park Avenue, for example, and then stroll over to the used-car lot and buy a used one.

The reason: A 1989 Park Avenue retails for about $22,000 while a 1988 with 8,000 miles on it retails for $15,500.

Even more astonishing is the upward movement in profits from dealerships' used-car operations.

According to the National Automobile Dealers Association, used-car operations in 1988 accounted for 26 percent of total dealership profits, up from 7 percent in 1985.

Some industry analysts have gone so far as to say the decline in used-car prices could explain the softness in new-car sales this year.

"Used-car prices have been weakening relative to new car prices since 1982," said Jack V. Kirnan, an analyst with Kidder, Peabody & Co.

Kirnan recently completed a study that showed the average price of a used car in 1982 was about 47 percent of the cost of a typical new car. By 1988, that ratio had fallen to about 40 percent.

"Weaker used-car prices hurt trade-in value, requiring the potential buyer to to make a larger down payment," said Kirnan.

Part of the reason for the depressed prices of used cars could be the number of vehicles sold since the economy rebounded in 1983 — about 90 million. Another is the bounty of incentives that persuade consumers to trade.

But according to Kirnan's report, the real hobgoblin has been the surge in fleet sales, causing lower trade-in values for used cars.

According to the U.S. Department of Commerce, fleets now comprise about 36 percent of total cars sold, up from 20 percent in the early 1970s.

Executives of auto auctions say the ratio of cars brought to the auctions by dealers and institutional vehicles is changing.

In 1980, 75 percent were dealer consignment vehicles and 25 percent were institutional vehicles — meaning manufacturer, fleet and lease and others.

By 1985, institutional vehicles had edged up to 30 percent and dealer consignments had fallen to 70 percent.

Looking ahead, industry officials expect that by 1992, more institutional vehicles than dealer consignment vehicles will arrive at auto auctions.

Fueling that swing in the market has been the number of buyback cars — vehicles sold to daily car rental companies, then repurchased by the manufacturer and remarketed at auctions. Automakers expect to remarket about 750,000 of them this year.

ccording to NADA, vehicles two years old or less accounted for 23 percent of new-car dealers' used-car sales in 1988, up from 16 percent in 1982.

Retail lease vehicles also have added to the torrent of used cars.

Cars leased for personal use have jumped from an estimated 293,000 in 1983 to more than a million this year. They eventually will spill back into the used-car market.

Michael J. Richardson, president and chief executive officer of Nashville-based Anglo American Auto Auctions, said lease portfolios from the middle of the decade already are starting to mature.

"We have a potential customer — a bank — that returned fewer than 1,000 lease vehicles in 1985," he said. "This year, we are looking at 80,000."

Banks and other financial institutions are smarting from hefty losses on the residual values of retail leases now coming to term.

When they made the lease agreements, they set residual values high to keep customer payments low. But the vehicles are not bringing the prices they had predicted when the cars were leased.

A spokesman for National Bank of Detroit said some retail lease vehicles are bringing $1,300 to $1,500 less than expected at term.

Joel Pitcoff, research analysis manager at Ford Motor Co., disputed findings that used-car prices have affected new-car sales.

He said the softness in new-car sales is due to high interest rates and an uncertain economy.

"There is no oversupply of two- to five-year-old cars," he said. "In fact, there is a scarcity of low-mileage, late-model cars."

Pitcoff also said the likelihood of a used-car salesman snitching a new-car customer is scant.

"The used-car customer is more likely to upgrade to a new car than the customer who normally buys a new car purchasing a used vehicle," he said.

Pitcoff also pooh-poohed findings that the huge number of daily rental cars coming back into the market has driven down used-car prices.

"These vehicles make up only 35 percent of the entire fleet market," he said.

Olds, BMW incentives

Oldsmobile increased its cash rebate on the 1989 Toronado, and BMW announced new consumer financing on its 325i models last week. Details are in Incentive Watch, below.

INCENTIVE WATCH

	Customer Incentives						Dealer Incentives	
		Finance Rates (Pct.) — Months —						
	Rebates	24	36	48	60	Expiration Date	Type	Expiration Date
Chrysler Motors								
Chrysler	$500 - $2,000	0.0*	5.9	6.9	10.9	Sept. 15		
Dodge Cars	$300 - $1,500	0.0*	5.9	6.9	10.9	Sept. 15	$500 on Daytona	Sept. 15
Dodge Trucks	$500 - $2,000	0.0*	5.9	6.9	10.9	Sept. 15	$500 on Dakota, full-sized trucks	Sept. 15
Eagle	$1,000 - $2,000	0.0*	5.9	6.9	10.9	Sept. 15		
Jeep	$500 - $1,000	0.0*	5.9	6.9	10.9	Sept. 15		
Plymouth	$300 - $1,500	2.9	5.9	6.9	10.9	Sept. 15		
*2.9 percent on some models								
Ford Motor Co.								
Ford Cars	$500 - $1,500	2.9	6.9	7.9	10.9	None		
Ford Trucks	$300 - $1,000	2.9	6.9	7.9	10.9	None		
Lincoln	$1,000 - $1,500	2.9	6.9	7.9	10.9	None		
Mercury	$1,000 - $1,500	2.9	6.9	7.9	10.9	None		
Merkur	$2,000 - $4,000	2.9	6.9	7.9	10.9	None		
General Motors								
Buick	$500 - $1,500	2.9	5.9	6.9	10.9	None	All GM divisions: Zero to $1,000 per sale based on performance against quota. $150 per sale if dealer elects not to participate in quota program.	Sept. 27
Cadillac	$1,000 - $1,500					Sept. 27		
Chevrolet Cars	$400 - $1,000	2.9	5.9	6.9	10.9	Sept. 27*		
Chevrolet Trucks	$400 - $750	2.9	5.9	6.9	10.9	Sept. 27*		
GMC	$500 - $750	2.9	5.9	6.9	10.9	None		
Oldsmobile	$1,000 - $2,500	2.9	5.9	6.9	10.9	None		
Pontiac	$700 - $1,250	2.9	5.9	6.9	10.9	None		
Cadillac does not have a finance-rate incentive *Chevrolet's rebate program has no expiration date								
Alfa Romeo							$1,000 - $6,000	Aug. 31
Audi							$1,800 - $5,000, some based on quota	Sept. 30
BMW 735i			8.5	9.0	9.5	Aug. 31		
735iL, 750iL			8.5	9.0	9.5	Aug. 31		
325i			9.6	9.6	9.6	Sept. 30		
Daihatsu							$300 if meet sales quota	Sept. 3
Honda							Up to $500	Aug. 31
Hyundai	$300 - $1,000					Sept. 5	$300 - $900, some based on quota	Sept. 5
Isuzu Impulse							$2,000	Sept. 5
Other Cars, Trucks							$300 - $1,000, based on quota	Sept. 5
Jaguar	$5,000					Sept. 18		
*To owners of 1990 Jaguar Sedans								
Mitsubishi Cars							$800 - $2,500, based on number sold	Sept. 30
Trucks							$300 - $2,500, based on number sold	Sept. 30
Nissan Cars							$100 - $1,500, based on quota	Sept. 5
Trucks							$100 - $2,000, based on quota	Sept. 5
Peugeot							$1,000 - $2,000	Sept. 18
Porsche							$3,000 - $8,000 on 40 percent of cars sold	Sept. 30
Sterling		4.9	5.9	5.9	6.9	Aug. 31	$1,500 - $2,750	Aug. 31
Subaru	$1,000 - $3,000*					Sept. 4	$1,000 - $3,000*	Sept. 4
*Rebates go to the customer in some regions and to the dealer in other regions								
Toyota Cars							$100 - $2,000, some based on quota	Sept. 5
Trucks							$200 - $2,500, some based on quota	Sept. 5
Volkswagen	$200 - $2,000	4.9	6.9	7.9	9.9	Sept. 4		

Sales dip in 'short' period

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Mid-August car and light-truck sales declined almost 9 percent from the comparable 1988 period.

There was one less selling day this year. For Aug. 11-20, deliveries of U.S.-built cars and light trucks totaled 274,320, down 8.77 percent from 300,682 last year.

Although overall sales were down, dealers sold more cars and light trucks per day than they did in 1988. This year's Aug. 11-20 daily selling rate was 34 290, up 2.64 percent over last year's 33,409.

Sales of domestic-built cars dipped 6.32 percent to 178,414 from 190,445 last year.

On a daily basis, car sales rose 5.39 percent to 22,302 from the year-earlier selling rate of 21,161.

Honda and Toyota reported increases in sales of U.S.-built cars. Honda sold 9,732 cars, up 5.14 percent from 9,256 last year. Civic sales jumped to 4,388 from 3,863, while Accord sales were steady at 5,344, compared to 5,393 last year.

Toyota sales rose dramatically because the company now builds two lines of cars in this country. Sales of Corolla and Camry this year totaled 6,300 compared to 1,429 for Corolla alone last year.

Sales of the other six domestic auto producers declined, with Nissan reporting the heaviest loss — 28.00 percent.

Of the Big 3, General Motors reported the largest car-sales dip. Deliveries totaled 78,013, down 11.74 percent from 88,394 in 1988.

Chrysler Motors posted sales of 237 Eagle Talons in mid-August, up from 180 for Aug. 1-10, which was the first sales report for the new sport coupe.

Domestic light-truck sales fell 13.00 percent during mid-August. The total was 95,906, compared to 110,237 last year. The daily selling rate was 11,988, off 2.13 percent from 12,249 in 1988.

All four truckmakers reported lower sales for the period. The largest decline was at Ford where sales of light-duty trucks slipped 20.64 percent to 30,594 from 38,552.

DOMESTIC SALES

CARS

	August 11-20, 1989	August 11-20, 1988
Eagle	1,551	1,272
Chrysler	3,345	5,906
Dodge	10,352	10,771
Plymouth	9,242	8,034
Chrysler Motors	24,490	25,985
Ford	36,907	40,852
Mercury	13,939	14,424
Lincoln	4,124	4,908
Ford Motor Co.	55,020	60,184
Buick	15,929	15,538
Cadillac	5,872	6,713
Chevrolet	27,817	31,796
Oldsmobile	14,359	16,784
Pontiac	14,036	15,563
General Motors	78,013	88,394
Honda	9,732	9,256
Mazda	942	1,015
Mitsubishi	906	—
Nissan	3,011	4,182
Toyota	6,300	1,429
U.S. Car Total	178,414	190,445

TRUCKS

Chrysler	72	0
Dodge	9,212	10,651
Jeep	6,047	6,911
Plymouth	3,531	3,913
Chrysler Motors	18,862	21,475
Ford Motor Co.	30,594	38,552
Chevrolet	33,709	36,306
GMC	8,909	9,656
General Motors	42,618	45,994
Nissan	3,832	4,240
U.S. Truck Total	95,906	110,237
U.S. Car-Truck Total	274,320	300,682

PRODUCTION

Car, truck production ahead of '88

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

United States car and truck production increased last week over the prior and year-ago weeks as model changeover and vacation shutdowns wound down.

With almost back to normal levels for the new model year, car output totaled 131,462 units last week, 5.56 percent more than the previous week's 125,540 and 4.72 percent more than the year-ago week's 125,606.

So far this year, 4,540,973 cars have been produced, 1.28 percent more than the 4,483,516 completed last year at this point.

Last week's estimated production was split as follows: General Motors, 42.22 percent; Ford Motor Co., 26.69 percent; Chrysler Motors, 14.15 percent; Honda of America Manufacturing, 3.96 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.06 percent; New United Motor Manufacturing Inc., 3.04 percent; Toyota Motor Manufacturing U.S.A., 2.86 percent; Nissan Motor Manufacturing Corp. U.S.A., 2.02 percent; and Diamond-Star Motors, 2.00 percent.

Truckmakers targeted production at 78,204 units last week, 2.01 percent more than the prior week's 76,660 and 2.29 percent more than the year-ago week's 76,455.

Ford's Lorain, Ohio, plant is closed this week due to a shortage of dealer orders for Ford Thunderbird and Mercury Cougar. Ford will idle its Chicago plant Sept. 1 until Sept. 11 due to slow sales of its 1989 Taurus and Sable.

Chrysler's Toledo, Ohio, plant shut down last week to adjust high inventories. Output of the Cherokee, Grand Wagoneer, Wagoneer and Comanche is expected to resume Sept. 5.

As previously reported, GM closed its Moraine, Ohio; Shreveport, La.; and Pontiac West, Pontiac, Mich., plants because of bloated inventories today. All three plants are expected to resume operations Sept. 5.

GM's Allante line at the Detroit-Hamtramck plant remains idle until Sept. 6 for model changeover.

Canada car output rises

Last week's scheduled Canadian auto output was 19,733 cars, 11.76 percent percent above the prior week's 17,656 and 6.53 percent more than the year-ago week's 18,523.

So far this year, 631,055 cars have been built, 10.93 percent below the 708,518 completed last year at this point.

Truckmakers estimated assembly of 19,911 units last week was 17.15 percent higher than the prior week's 16,996 and 11.39 percent above the year-ago week's 17,875.

Navistar International's plant in Chatham, Ontario, was expected to resume production today. The plant had been idle due to slow sales.

Volvo's Halifax, Nova Scotia, plant reopened last week after a three-week vacation.

U.S. CAR	Week Ended Aug. 26, 1989	Week Ended Aug. 27, 1988	Week Ended Aug. 19, 1989	Aug. to Date	Jan. 1 to Aug. 26, 1989	Jan. 1 to Aug. 27, 1988
Horizon	1,100	0	1,134	4,449	21,017	53,889
Sundance	1,600	1,349	1,539	4,349	68,927	67,160
Reliant	0	0	0	0	0	56,260
Acclaim	2,900	0	2,972	10,115	81,639	0
Caravelle	0	0	0	0	0	9,087
Gran Fury	0	313	0	0	0	15,562
Total Plymouth	5,600	1,662	5,645	18,913	171,583	201,958
LeBaron K	0	0	0	0	0	7,912
LeBaron J	2,700	1,620	2,636	8,968	67,282	48,411
LeBaron GTS	0	156	0	0	2,946	6,105
N. Yorker C-Class	700	1,849	761	2,689	60,582	68,464
Fifth Avenue	1,600	961	1,671	4,747	4,747	18,323
Total Chrysler	5,000	4,586	5,068	16,404	135,557	149,215
Omni	1,100	0	1,074	4,243	22,211	52,602
Daytona	1,800	1,608	1,757	5,934	54,558	47,634
Shadow	1,600	1,575	1,524	4,293	65,726	65,934
Aries	0	0	0	0	0	54,570
Dodge 600	0	0	0	0	0	8,549
Dynasty	1,700	2,594	1,841	6,513	90,646	66,112
Lancer	0	108	0	0	1,528	5,908
Spirit	1,800	0	1,806	6,090	66,947	0
Diplomat	0	224	0	0	0	13,196
Total Dodge	8,000	6,109	8,002	27,072	301,616	314,505
CHRYSLER MOTORS	18,600	12,357	18,715	62,389	608,756	665,678
Escort	8,689	7,053	8,161	27,552	211,457	254,453
Mustang	4,403	3,572	4,420	16,596	142,092	131,666
Tempo	3,048	2,911	2,828	11,187	98,061	121,929
Taurus	8,030	6,030	6,435	24,614	239,275	257,999
Thunderbird	2,791	0	2,679	9,849	104,237	90,246
Total Ford Div.	26,961	19,566	24,523	89,798	795,122	856,293
Topaz	1,352	1,066	1,413	5,111	45,926	46,044
Cougar	2,794	0	2,723	9,891	89,961	69,686
Sable	2,528	1,956	2,104	7,945	77,313	88,196
Total Mercury	6,674	3,022	6,240	22,947	213,200	203,926
Continental	446	1,676	1,057	3,378	43,376	29,883
Mark VII	0	826	0	0	13,978	16,075
Lincoln	1,007	2,492	2,158	6,959	81,860	84,862
Total Lincoln	1,453	4,994	3,215	10,337	139,214	130,820
Total L-M Division	8,127	8,016	9,455	33,284	352,414	334,746
FORD MOTOR CO.	35,088	27,582	33,978	123,082	1,147,536	1,191,039
Skyhawk	0	541	0	0	6,913	10,894
Skylark/Somerset	1,083	1,632	1,079	2,206	37,079	30,832
Century	2,853	3,914	2,886	9,931	84,932	71,955
Riviera	449	78	334	830	12,178	3,719
Electra	1,824	1,320	1,664	6,316	49,910	55,625
LeSabre (fwd)	3,195	3,965	2,751	8,296	98,305	84,944
LeSabre (rwd)	270	59	0	270	4,372	6,558
Reatta	146	179	114	310	3,450	6,060
Total Buick	9,820	11,688	8,828	28,161	297,139	270,587
Cimarron	0	0	0	0	0	3,693
Eldorado	361	251	274	675	19,778	23,893
Seville	382	209	210	626	14,623	14,788
Brougham (rwd)	638	791	596	1,499	23,432	20,746
Deville (fwd)	3,845	294	3,920	13,648	130,528	98,332
Allante	0	0	0	138	2,077	1,135
Total Cadillac	5,226	1,545	5,000	16,586	190,438	162,587
Cavalier	2,996	6,667	2,056	14,990	238,685	235,052
Camaro	1,280	1,761	705	2,015	66,606	56,713
Celebrity	0	3,603	0	0	70,349	118,992
Corsica/Beretta	7,275	11,184	7,342	18,570	247,596	267,758
Caprice	4,130	3,846	2,704	8,046	120,807	137,470
Corvette	260	452	97	623	16,663	14,538
Total Chevrolet	15,941	27,513	12,904	44,244	760,706	830,523
Calais	1,170	2,707	1,192	2,396	58,877	69,840
Firenza	0	0	0	0	0	5,230
Cutlass Ciera	1,313	471	1,309	4,315	59,998	14,067
Cutlass Supreme	2,930	2,765	2,688	7,411	59,933	94,301
Toronado	56	211	4	70	4,915	10,531
88 (fwd)	3,150	3,003	1,831	6,564	92,468	101,091
88 (rwd)	148	220	104	300	5,365	8,098
Olds 98	1,355	1,192	1,287	4,724	47,891	48,945
Total Oldsmobile	10,122	10,569	8,415	25,780	329,447	352,103
Sunbird	1,892	2,478	1,413	6,083	94,291	69,208
Grand Am	4,800	4,807	4,603	13,905	157,789	150,021
Firebird	633	1,256	563	1,427	36,779	39,318
Grand Prix	2,930	3,434	3,228	8,997	80,783	82,336
Pontiac 6000	1,705	2,147	1,650	5,733	54,708	50,411
Bonneville	2,231	2,307	2,098	7,904	59,949	72,845
Safari/Parisienne	0	133	0	0	2,691	5,314
Fiero	0	0	0	0	0	13,260
Total Pontiac	14,391	16,562	13,555	44,049	486,970	482,713
GENERAL MOTORS	55,500	67,877	48,702	158,820	2,064,700	2,098,513
DIAMOND-STAR	2,625	0	2,706	9,793	41,847	0
HONDA	5,210	7,198	7,114	25,757	246,812	240,861
Civic	1,653	2,567	1,266	7,538	83,192	68,982
Accord	3,557	4,631	5,848	18,220	163,620	171,879
MAZDA†	4,021	4,699	3,859	12,432	132,731	76,706
NISSAN	2,658	2,652	2,585	9,072	76,811	70,452
NUMMI	4,000	3,241	4,123	15,691	135,536	104,672
Corolla	1,600	1,154	1,719	6,434	54,855	38,274
Geo Prizm/Nova	2,400	2,087	2,404	9,257	80,681	66,398
TOYOTA	3,760	0	3,778	14,188	86,244	0
VOLKSWAGEN	0	0	0	0	0	35,595
Golf/GTI	0	0	0	0	0	30,042
Jetta	0	0	0	0	0	5,553
Total Cars, U.S.	131,462	125,606	125,540	431,225	4,540,973	4,483,516
Total Cars, Canada	19,733	18,523	17,656	58,302	631,055	708,518
U.S., Canada Cars	151,195	144,129	143,196	489,528	5,172,028	5,192,034
U.S., Canada Cars and Trucks	249,310	238,459	236,852	837,044	8,602,885	8,473,933

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe

CANADIAN CAR	Week Ended Aug. 26, 1989	Week Ended Aug. 27, 1988	Week Ended Aug. 19, 1989	Aug. to Date	Jan. 1 to Aug. 26, 1989	Jan. 1 to Aug. 27, 1988
Premier	1,275	946	1,276	4,635	27,241	40,078
CHRYSLER MOTORS	1,275	946	1,276	4,635	27,241	40,078
Tempo	3,360	3,009	3,286	11,737	85,062	118,471
Topaz	1,440	1,336	1,388	4,975	36,076	44,052
Crown Victoria	2,520	2,369	2,554	9,296	80,679	83,777
Grand Marquis	2,638	2,486	2,637	9,475	86,494	84,200
FORD MOTOR CO.	9,958	9,200	9,865	35,483	288,311	330,500
Celebrity	0	535	0	0	15,231	14,674
Cutlass Ciera	0	2,736	0	0	95,976	161,526
Lumina	3,720	0	3,996	7,716	89,356	0
Pontiac 6000	0	0	0	0	0	29,675
Regal	2,480	3,707	280	2,760	46,222	100,934
GENERAL MOTORS	6,200	6,978	4,276	10,476	246,785	306,839
HONDA	1,620	1,274	1,758	6,169	53,947	26,713
TOYOTA	500	0	481	1,360	9,404	0
VOLVO	180	125	0	180	5,367	4,388
Total Cars, Canada	19,733	18,523	17,656	58,302	631,055	708,518

U.S. TRUCK☆	Week Ended Aug. 26, 1989	Week Ended Aug. 27, 1988	Week Ended Aug. 19, 1989	Aug. to Date	Jan. 1 to Aug. 26, 1989	Jan. 1 to Aug. 27, 1988
Caravan	1,700	2,401	1,702	5,909	68,335	60,987
Dakota	1,600	2,014	1,975	6,793	63,381	68,323
Caravan C/V	100	46	80	271	4,794	9,019
Ram pickups	1,600	2,020	1,989	6,816	63,506	46,801
Total Dodge	5,000	6,481	5,746	19,789	200,016	185,130
Cherokee	4,100	4,491	4,017	15,592	146,139	116,704
Comanche	500	987	464	1,814	19,531	29,652
Grand Wagoneer	0	332	325	902	7,514	9,159
Wagoneer	100	212	103	331	5,470	6,878
Total Jeep	4,700	6,022	4,909	18,638	178,654	162,393
Voyager	1,600	2,317	1,591	5,386	64,324	57,463
Town & Country	100	0	182	324	2,198	0
Total C-P Div.	1,700	2,317	1,773	5,710	66,522	57,463
CHRYSLER MOTORS	11,400	14,820	12,428	44,137	445,192	404,986
Aerostar	3,560	4,499	3,701	14,461	150,755	131,250
Bronco	1,460	755	1,458	5,421	51,569	36,651
Bronco II	2,327	2,927	2,245	8,356	80,145	84,883
Econoline	4,104	4,585	4,158	15,783	153,731	153,921
Heavy trucks	1,263	1,047	0	3,307	41,124	43,578
Light trucks	10,911	7,882	9,845	36,987	351,806	319,316
Ranger	6,222	7,045	6,070	21,482	210,756	231,357
Total Ford Div.	29,847	28,740	27,477	105,798	1,037,886	1,000,956
FORD MOTOR CO.	29,847	28,740	27,477	105,798	1,037,886	1,000,956
Astro	2,921	3,070	2,044	10,233	109,093	115,587
Blazer	542	366	543	2,044	19,036	17,216
Mediums/Heavies	365	488	348	1,204	7,369	13,163
P-Model	0	886	0	0	20,749	26,821
Pickups	8,009	6,504	8,494	30,332	270,352	227,681
S-10	4,972	5,247	5,208	19,117	179,801	200,841
S-10 Blazer	3,827	1,378	3,475	14,134	130,811	106,665
Sportsvan/Van	1,816	1,818	1,811	6,461	65,547	61,857
Suburban	1,461	982	1,455	5,545	53,084	46,252
Total Chevrolet	23,913	20,737	23,378	89,070	852,123	816,083
Jimmy	162	93	167	612	5,639	4,999
Mediums/Heavies	585	610	561	2,293	12,194	26,099
P-Model	0	124	0	0	2,916	3,611
Pickups	2,591	1,845	2,774	8,312	80,695	70,283
S-15	1,166	1,247	999	4,157	40,704	45,118
S-15 Jimmy	1,133	426	1,354	4,620	36,994	30,229
Safari	839	784	568	2,819	28,451	29,434
Suburban	649	392	673	2,417	20,893	20,413
Vandura/Rally Vans	643	564	645	2,754	18,645	23,211
Total GMC	7,768	6,085	7,641	28,985	241,190	253,397
GENERAL MOTORS	31,681	26,822	31,019	118,054	1,093,313	1,069,480
NAVISTAR	0	1,910	0	3,155	52,130	56,804
NISSAN	2,526	1,413	2,286	8,954	79,633	64,097
AM GENERAL	450	450	450	1,710	14,940	15,210
MISCELLANEOUS	2,300	2,300	3,000	10,700	92,900	77,740
Total Trucks, U.S.	78,204	76,455	76,660	292,508	2,815,994	2,689,273

CANADIAN TRUCK	Week Ended Aug. 26, 1989	Week Ended Aug. 27, 1988	Week Ended Aug. 19, 1989	Aug. to Date	Jan. 1 to Aug. 26, 1989	Jan. 1 to Aug. 27, 1988
Caravan	3,252	3,269	2,726	10,043	92,751	92,282
Caravan C/V	210	199	164	620	7,695	8,645
Ram Wagon	660	562	658	1,749	17,329	15,944
Ram Van	1,690	1,380	1,706	4,791	44,630	42,458
Total Dodge	5,812	5,410	5,254	17,204	162,405	159,329
Voyager	2,682	2,582	2,150	8,445	82,117	81,877
Total Plymouth	2,682	2,582	2,150	8,445	82,117	81,877
Wrangler	1,700	1,302	1,839	6,729	53,129	31,950
Total Jeep	1,700	1,302	1,839	6,729	53,129	31,950
CHRYSLER MOTORS	10,194	9,294	9,243	32,378	297,651	273,156
FORD MTR. (lt. trks.)	3,231	1,754	2,759	10,760	103,521	107,233
Light trucks	3,125	2,987	3,001	6,126	103,572	98,688
Vans	1,051	1,527	173	1,224	37,967	36,931
Total Chevrolet	4,176	4,514	3,174	7,350	141,539	135,619
Light trucks	1,755	1,650	1,723	3,478	45,859	49,844
Vans	555	396	97	652	18,709	19,449
Total GMC	2,310	2,046	1,820	4,130	64,568	69,293
GENERAL MOTORS	6,486	6,560	4,994	11,480	206,107	204,912
NAVISTAR	0	267	0	391	7,584	7,325
Total Trks., Canada	19,911	17,875	16,996	55,008	614,863	592,626
U.S.-Canada Trks.	98,115	94,330	93,656	347,517	3,430,857	3,281,899

☆—Includes window van production *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.